



STAFF ANALYSIS

STATE PUBLIC WORKS BOARD

MONDAY, APRIL 6, 2020 AT 1:00 P.M.

**THIS MEETING WILL TAKE PLACE ENTIRELY VIRTUALLY AND CAN BE ACCESSED
THROUGH THE FOLLOWING LINK OR PHONE NUMBER*:**

[HTTPS://ZOOM.US/J/470375931?PWD=TFDLRNYRM0JCM0ZXRWVTSEJMUfZ0ZZ09](https://zoom.us/j/470375931?pwd=TFDLRNYRM0JCM0ZXRWVTSEJMUfZ0ZZ09)

MEETING ID: 470 375 931

PASSWORD: 507624

OR

PHONE: (669) 900-9128**

MEETING ID: 470 375 931

I. Roll Call

II. Bond Items

Page 2

III. Other Business

Page 7

*Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Order N-29-20, issued March 17, 2020, the Board meeting will take place entirely virtually on April 6, 2020. Members of the Board will participate in this meeting remotely via telephonic or video conference. The meeting may be observed through the Zoom link and telephone number identified above. If using the Zoom platform, please install the Zoom application and enter the virtual conference room prior to the 1:00 p.m. meeting start time. Members of the public may participate through telephone, the Zoom platform, or by submitting public comment in advance. If members of the public wish to submit comments in advance, the Board asks members of the public to provide written comments to Kat.Lee@dof.ca.gov prior to the meeting. To the extent possible, all written comments will be distributed to the members of the Board prior to the meeting.

** This phone number **IS NOT** a toll free number.

Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the State Public Works Board website.

[Please click here to view](#). The full Board member briefing package is available upon request. Please send an email to Kat.lee@dof.ca.gov.

Individuals who need disability-related accommodation are invited to make their requests and preferences known to Kat Lee at (916) 445-9694 or e-mail to Kat.lee@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)
HASTINGS COLLEGE OF THE LAW (6600)
2020 SERIES B, LEASE REVENUE BONDS
VARIOUS CAPITAL PROJECTS**

Project: **Santa Clara County Juvenile Project**

Location: Santa Clara County

Authority: Section 1970-1978 of the Welfare and Institutions Code (SB 81)

Project: **Napa County Jail Project**

Location: Napa County

Authority: Government Code Sections 15820.92-15820.926 (SB 1022)

Project: **Hastings College of the Law**

Location: San Francisco County

Authority: Chapters 10 and 11, Statutes of 2015, Item 6600-301-0660(1), and Chapter 23, Statutes of 2016, Item 6600-301-0660(1)

Consider adoption of a resolution to:

- 1. Authorize the sale of State Public Works Board lease revenue bonds to finance and refinance costs of design and/or construction and other costs related to the above described projects for the Department of Corrections and Rehabilitation, the Board of State and Community Corrections, and Hastings College of the Law.**
- 2. Approve the form of various documents related to, and authorize other related actions in connection with, the authorization, issuance, sale, and delivery of said revenue bonds.**

Estimated Project Costs to be Financed	\$80,062,000
Estimated Par Value of Bonds to be Issued	\$74,395,000
"Not To Exceed" Par Amount	\$89,470,000

STAFF ANALYSIS ITEM—1

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)
HASTINGS COLLEGE OF THE LAW (6600)
2020 SERIES B, LEASE REVENUE BONDS
VARIOUS CAPITAL PROJECTS**

Action Requested

If approved, the requested action would authorize the sale of the 2020 Series B lease revenue bonds and approve the form of various documents related to, and authorize other related actions in connection with, the issuance, sale, and delivery of said revenue bonds.

Background

Welfare and Institutions Code 1970-1978 authorizes the State Public Works Board (Board) to issue bonds to finance a portion of the cost of the design and construction of certain local juvenile facilities, and Government Code Sections 15820.92-15820.926 authorize the Board to issue bonds to finance a portion of the cost of the design and construction of certain local correctional facilities. This action would authorize the sale of lease revenue bonds, in part, to provide funds to finance and refinance, on behalf of the Department of Corrections and Rehabilitation (CDCR), the Santa Clara County Juvenile Project in Santa Clara County, and on behalf of the Board of State and Community Corrections (BSCC), the Napa County Jail Project in Napa County.

In addition, Chapters 10 and 11, Statutes of 2015, and Chapter 23, Statutes of 2016, authorize the Board to issues bonds to fund the design-build phase of the Academic Building Replacement Project at Hastings College of the Law (Hastings).

Concurrently with the issuance of the bonds, CDCR, BSCC, and Hastings will enter into a site lease with the Board for their respective projects, under which the Board will lease the sites at which the projects are located from CDCR, BSCC, and Hastings. The Board will enter into a facility lease with CDCR, BSCC, and Hastings under which CDCR, BSCC, and Hastings will lease the facility from the Board. The rental payments under the facility leases secure the payment of principal and interest on the Board's bonds. Additionally, with the consent of the Board, CDCR and BSCC will enter into a facility sublease with each respective County (Santa Clara and Napa) for the county's use, operation, and maintenance of the projects.

The leases for the CDCR and BSCC projects are scheduled to terminate at the end of 15 years. After the termination the projects will be owned by the respective counties. The bonds are scheduled to be fully paid and the lease for the Hastings project is scheduled to terminate in 25 years, after which the Hastings project will be owned by Hastings.

The 2020 Series B bonds will be sold through a negotiated sale upon the terms and conditions set forth in the Bond Purchase Contract. Alternatively, if determined by the State Treasurer to be in the best interests of the Board and the State, the 2020 Series B bonds will be sold through a private sale directly to the purchaser. The terms of the Bond Purchase Contract will be modified to reflect such private sale and final terms of sale as approved by the Chair, Executive Director, or Deputy Directors.

Description of the Projects

Santa Clara County Juvenile Project: The Santa Clara County Juvenile Facility includes the construction of an addition to the existing William F. James Boys Ranch facility on approximately 9 acres of the greater 72 acre county-owned land located in the City of Morgan Hill. The project results in the addition of approximately 49,000 square feet (sf) of new space to the facility. The project includes a new housing building; demolition of the existing dormitory and construction of a new Admission/Treatment/Visiting building; new kitchen and dining building; new indoor gymnasium; and security, communications, and infrastructure improvements.

The project will include, but is not limited to, utilities; electrical; plumbing; mechanical; heating, ventilation, and air conditioning; security; and fire protection systems; as well

as a new access road and new parking area. The project is anticipated to be complete and available for occupancy in June of 2020.

Napa County Jail Project: The Napa County Jail Project includes the construction of a new facility on approximately 4 acres of the 27.11-acre county-owned land located in the unincorporated area of Napa County. The project will include five buildings consisting of administration and housing space and will provide a total of approximately 72 beds. The Project is constructed of durable, residential grade materials including concrete spread footings, concrete slabs, and engineered wood framing.

The project will include, but is not limited to, electrical; plumbing; mechanical; heating, ventilation, and air conditioning; security; and fire protection systems; as well as security fencing and staff and visitor parking space. The project is complete and was available for occupancy in December 2018.

Academic Building Replacement Project: The project includes the design-build phase of a new academic facility of approximately 57,000 gross square feet on a 0.3 acre site owned by Hastings College of the Law, in the City of San Francisco. The new academic facility is located at 333 Golden Gate Avenue, San Francisco, CA 94102, and will replace Hastings' existing primary academic facility. The new building includes classrooms, offices, clinical programs, meeting rooms, conference rooms, and student life space. The project is complete and was available for occupancy in March 2020.

Staff Recommendation: **Adopt the resolution.**

BOND ITEM—2

**JUDICIAL COUNCIL OF CALIFORNIA (250)
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2020 SERIES C, LEASE REVENUE REFUNDING BONDS
VARIOUS FACILITIES**

Authority: Section 15840 of the Government Code

Refunded Bonds, 2010 Series A, Subseries A-2:

Judicial Council of California:

New Susanville Courthouse, Lassen County

Department of Corrections and Rehabilitation

California Medical Facility, Vacaville: Immediate Care Facility

California Institute for Women, Chino: Acute/Intermediate Care Facility

California State Prison Los Angeles County, Lancaster: Enhanced Outpatient
Program Treatment and Office Space

Consider adoption of a resolution to:

1. **Authorize the sale of State Public Works Board lease revenue refunding bonds to refund all of the Board's 2010 Series A, Subseries A-2, lease revenue bonds in accordance with the Board's refunding policy.**
2. **Approve the form of various documents related to, and authorize other related actions in connection with, the authorization, issuance, sale, and delivery of said revenue bonds.**

Current outstanding par amount of the bonds to be refunded:

\$54,215,000

STAFF ANALYSIS ITEM—2

JUDICIAL COUNCIL OF CALIFORNIA (0250)
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
2020 SERIES C, LEASE REVENUE REFUNDING BONDS
VARIOUS FACILITIES

Action Requested

If approved, the requested action would authorize the sale of the 2020 Series C lease revenue refunding bonds, approve the form of various documents related to, and authorize other related actions in connection with, the issuance, sale, and delivery of said revenue bonds.

Description of the Refunding

Under Government Code section 15840, the Board is authorized to issue refunding bonds to refund any of its outstanding bonds. Additionally under the Board's refunding policy refunding bonds may be issued when (i) the refunding generates positive net present value savings equal to at least 3 percent of the par amount of bonds refunded or (ii) whether or not the issuance results in overall debt service savings if the Board determines in the resolution authorizing the issuance of the refunding bonds that such refunding will produce benefits to the Board's bond program apart from debt service savings.

The 2020 Series C bonds, which have an estimated par amount of approximately \$47.7 million, will refund the Board's 2010 Series A, Subseries A-2 lease revenue bonds and is currently expected to achieve a net present value savings of approximately \$18.5 million, which is approximately 28.8 percent of the par amount of the refunded bonds.

If this action is approved, the 2020 Series C bonds will provide funds that will be used, together with other lawfully available moneys, to (i) establish irrevocable escrows to refund and defease all of the Board's 2010 Series A, Subseries A-2, lease revenue bonds outstanding bonds and (ii) pay the costs of issuance of the 2020 C bonds.

The 2020 Series C bonds will be sold through a negotiated sale upon the terms and conditions set forth in the Bond Purchase Contract. Alternatively, if determined by the State Treasurer to be in the best interests of the Board and the State, the 2020 Series C bonds will be sold through a private sale directly to the purchaser.

Refunded Projects:

Susanville Courthouse: The New Susanville Courthouse serves as the courthouse for the Superior Court of California, Lassen County. The Susanville Courthouse is an approximately 42,000 gross square foot facility and is located in the city of Susanville on state-owned land. It is two stories in height with a steel moment frame structural system on a mat foundation. The Susanville Courthouse is sited on 5.43 acres and is accessed by two streets in Susanville. This dual access provides for separation of public and court staff/in-custody parking/circulation.

The Susanville Courthouse has been continuously occupied by the Judicial Council and fully operational since the completion of construction in January 2012.

California State Prison, Lancaster: Enhanced Outpatient Program Treatment and Office Space: California State Prison, Los Angeles County (the "LAC") is located in the city of Lancaster in Los Angeles County and was opened in 1993. The prison is approximately 66 miles from downtown Los Angeles. The LAC provides housing for male inmates requiring minimum and maximum security level housing. LAC Enhanced Outpatient Program Treatment and Office Space (the "EOP Treatment and Office Space") consists of a 14,260 gross square foot single-story standalone building. The LAC EOP Treatment and Office Space was fully operational and occupied in October 2012.

California Medical Facility, Vacaville: Intermediate Care Facility: The California Medical Facility, Vacaville: Intermediate Care Facility Project (the "CMF Project") is located on a site of approximately 9.8 acres comprising a portion of the California Medical Facility. The CMF Project included the design and construction of a single story slab-on-grade building consisting of approximately 44,000 square feet. Housing, treatment, and support space is approximately 34,000 square feet and provides 64 single occupancy cells and four observation cells, with exterior walls of reinforced concrete masonry, and a membrane roofing system.

California Institution for Women, Chino: Acute/Intermediate Care Facility: The California Institution for Women, Chino: Acute/Intermediate Care Facility Project (the "CIW Project") is located on a site of approximately 10.8 acres comprising a portion of the California Institution for Women. The CIW Project provides a 45-bed licensed inpatient mental health facility consisting of housing, treatment, support and administration services. The facility is approximately 53,500 square feet. The CIW Project is a two story building located within the expanded secure perimeter of the CIW. It is located adjacent to and licensed under the existing CIW Correctional Treatment Center license. The housing and treatment space is approximately 43,400 square feet and provides 45 single occupancy cells. The administration space is located on the second floor and is approximately 10,100 square feet. The project includes two additional permanent guard towers.

Department of Forestry and Fire Protection (CalFire) Projects:

Nineteen CalFire projects were refunded with the 2017C bonds, and the facilities will be related to the 2020C Bonds; as such, their facility leases will be amended consistent with

the issuance of the 2020C Bonds. The CalFire projects that will have amended facility leases are as follows: Altaville Forest Fire Station; the Bautista Conservation Camp-Modular Buildings; the Cuyamaca Forest Fire Station; the Mendocino Ranger Unit Headquarters Automotive Shop; the North Region Forest Fire Station Facilities, consisting of the Buckhorn Forest Fire Station, the Del Puerto Forest Fire Station, the Elk Creek Forest Fire Station, the Forest Ranch Forest Fire Station, the Point Arena Forest Fire Station, the Susanville Forest Fire Station, the Thorn Forest Fire Station and the Whitmore Forest Fire Station; the Statewide Forest Fire Station Facilities, consisting of the Boonville Forest Fire Station, the Bridgeville Forest Fire Station, the Cloverdale Forest Fire Station, the Colfax Forest Fire Station, the Nevada City Forest Fire Station, and the Weott Forest Fire Station; and the Warner Springs Forest Fire Station.

Staff Recommendation: **Adopt the resolution.**

OTHER BUSINESS

NONE